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Director and Health Officer

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June 16, 2009

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

**APPROVAL TO EXTEND LABORATORY SPECIMEN
TRANSPORTATION SERVICES AGREEMENT WITH
ACCURATE COURIER SERVICES, INC.
(ALL SUPERVISORIAL DISTRICTS)
(3 VOTES)**

SUBJECT:

Request approval to amend a laboratory specimen transportation services agreement with Accurate Courier Services, Inc., for up to nine months, on a month-to-month basis, through March 31, 2010.

IT IS RECOMMENDED THAT YOUR BOARD:

Approve and instruct the Chairman to execute Amendment Number 13 (substantially similar to Exhibit I) to Agreement Number H-71250 between the Department of Public Health (DPH), the Department of Health Services (DHS), and Accurate Courier Services, Inc. (Accurate) for laboratory specimen transportation services, and to extend the term for up to nine months, on a month-to-month basis, effective July 1, 2009 through March 31, 2010, or until a competitive selection process is completed, whichever is sooner, at an estimated cost of \$506,707.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Approval of the recommended action will allow DPH to amend the Laboratory Specimen Transportation Services Agreement to extend the term through March 31, 2010, and complete the solicitation process for these services that is currently in progress. Additional time is necessary to review three proposal responses that were received in response to the Request for Proposals (RFP), which was released in December 2008. DPH intends to award the contract and begin services under the new agreement no later than April 2010.



BOARD OF SUPERVISORS

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COUNTY OF LOS ANGELES

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JUNE 16, 2009

Sachi A. Hamai
SACHI A. HAMAI
EXECUTIVE OFFICER

The contracted laboratory specimen transportation service provides courier services for DPH and DHS (Departments). Continuation of service is necessary to ensure that specimens are collected from County health centers, County hospitals, public health clinics, community-based organizations, and other similar facilities for delivery to appropriate County laboratory facilities for testing. Timely delivery, adherence to delivery schedule, and the transport of laboratory specimens and other items under appropriate transport conditions are some of the mandatory requirements expected of a competent laboratory courier service.

Existing County policy and procedures require the timely submission of contracts for Board approval. This request for approval of the amendment was not scheduled for placement on the Board's agenda three weeks prior to its effective date as required because of unanticipated solicitation challenges, which have prompted a second round of proposal reviews and a request from the proposers for further clarification, thereby delaying the process.

Implementation of Strategic Plan Goals

This action supports Goal 1, Operational Effectiveness, of the County's Strategic Plan.

FISCAL IMPACT/FINANCING

The total estimated cost for services is \$506,707, which is comprised of DPH costs of \$230,000 and DHS costs of \$276,707, for the period of July 1, 2009 through March 31, 2010.

Funding for this action is included in DPH's and DHS' 2009-10 Proposed Budget and will be requested in future fiscal years, as necessary.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

County facilities require courier services to transport laboratory specimens, reports, supplies, and other materials (e.g., specimen containers, x-ray films, medical records, etc.) to and from designated sites. A prudent courier service is required to provide the timely pick up and delivery of laboratory items, and ensure that items are transported under the appropriate transport conditions, in order to guarantee specimen integrity and the security and confidentiality of all documents, laboratory reports and medical records.

The laboratory courier services contract is a Proposition A (Prop A) Contract and is subject to the requirements of the County's Living Wage Program (Los Angeles County Code Chapter 2.201).

County Counsel has approved Exhibit I as to form.

CONTRACTING PROCESS

On February 17, 1998, your Board approved the awarding of a Prop A laboratory transportation services agreement (Agreement Number H-71250) to First Class Services dba Consolidated

Routing (Consolidated), effective February 17, 1998 through December 31, 2000, at an estimated annual cost of \$305,032.

Since the original award, the Agreement has undergone 12 amendments, some of which include: additional service site locations, term extensions, rate adjustments, a change in ownership from Consolidated to Accurate in January 2006, and updates to the living wage rate and language.

In 2004, a new contractor was selected following a two-year competitive selection process; however, the selected contractor was unable to fulfill its contractual requirements. This resulted in further extending the Agreement, which is now slated to terminate June 30, 2009.

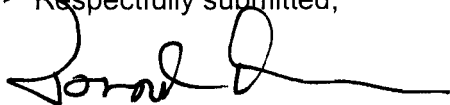
On December 22, 2008, DPH released an RFP for laboratory courier services on behalf of both Departments. In response to the solicitation, three proposals were received in January 2009. The proposals are being evaluated and scored by a review panel using a standardized scoring tool. Both DPH and DHS are working together to ensure concurrence with the selection of a successor courier service.

The RFP was advertised on the Los Angeles County Online Website and in a local newspaper.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Approval of the recommended action will ensure the continued provision of laboratory specimen transportation services for both Departments and allow DPH additional time to review and evaluate proposal responses for selection of the most qualified laboratory courier successor.

Respectfully submitted,



Jonathan E. Fielding, M.D., M.P.H.
Director and Health Officer



JEF: ly

Attachments (1)

c: Chief Executive Officer
Acting County Counsel
Executive Officer, Board of Supervisors

Contract No. H-71250-13

LABORATORY SPECIMEN TRANSPORTATION SERVICES AGREEMENT

AMENDMENT NUMBER 13

THIS AMENDMENT is made and entered into this 16th day
of JUNE, 2009,

by and between

COUNTY OF LOS ANGELES (hereafter
"County"),

and

ACCURATE COURIER SERVICES, INC.
(hereafter "Contractor").

WHEREAS, reference is made to that certain document entitled "LABORATORY SPECIMEN TRANSPORTATION SERVICES AGREEMENT", dated February 17, 1998, and further identified as County Agreement Number H-71250 and any Amendments thereto (all hereafter referred to as "Agreement"); and

WHEREAS, it is the intent of the parties hereto to amend Agreement to extend the term and provide other changes set forth herein; and

WHEREAS, said Agreement provides that changes may be made in the form of a written Amendment which is formally approved and executed by the parties.

NOW, THEREFORE, the parties agree as follows:

1. This Amendment shall be effective on July 1, 2009.
2. Exhibit C-3, Fee Schedule, shall be replaced in its entirety by Exhibit C-4, Fee Schedule, attached hereto and incorporated herein by reference.

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AMENDMENT
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3. Paragraph 1, TERM AND TERMINATION, subparagraph "A" of the Agreement, shall be amended to read as follows:

"1. TERM AND TERMINATION:

A. This Agreement shall be effective February 17, 1998, and shall continue in full force and effect on a month-to-month basis, for up to nine (9) months, through March 31, 2010, or until a County competitive selection process is completed, whichever date is sooner reached. Between July 1, 2009 and February 28, 2010, County shall give Contractor at least fifteen (15) days' prior written notice of the termination of this Agreement at the end of an individual month.

In any event, this Agreement may be canceled or terminated at any time by either party, with or without cause, by giving at least thirty (30) calendar days' prior written notice of such cancellation or termination to the other."

4. Except for the changes set forth hereinabove, Agreement shall not be changed in any respect by this Amendment.

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IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has caused this Amendment to be subscribed by its Chair, and Contractor has caused this Amendment to be subscribed in its behalf by its duly authorized officer, the day, month, and year first above written.



ATTEST:

SACHI A. HAMAI,
Executive Officer of the
Board of Supervisors of the
County of Los Angeles

By [Signature]
Deputy

COUNTY OF LOS ANGELES

By [Signature]
Director and Health Officer

ACCURATE COURIER SERVICES, INC.

By [Signature]
Contractor
Signature

Joseph Yemini
Printed Name

Title President & CEO
(AFFIX CORPORATE SEAL)

APPROVED AS TO FORM
BY THE OFFICE OF THE COUNTY COUNSEL
ROBERT E. KALUNIAN
Acting County Counsel

By [Signature]
Deputy

By [Signature]
Chairman, Board of Supervisors

APPROVED AS TO CONTRACT
ADMINISTRATION:

Department of Public Health

By [Signature]
Gary T. Izumi, Chief
Contracts and Grants



I hereby certify that pursuant to
Section 25103 of the Government Code,
delivery of this document has been made.

SACHI A. HAMAI
Executive Officer
Clerk of the Board of Supervisors

By [Signature]
Deputy

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COUNTY OF LOS ANGELES

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JUN 16 2009

Sachi A. Hamai
SACHI A. HAMAI
EXECUTIVE OFFICER

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SUPPLEMENT 12

ACCURATE COURIER SERVICES, INC.

**LABORATORY SPECIMEN TRANSPORTATION SERVICES
FEE SCHEDULE**

Subject to the payment provisions of the body of this Agreement, County shall compensate Contractor hereunder as follows:

Scheduled Stops:

- \$12.37 per stop

Regular Stats:

- 6:00 a.m. – 5:59 p.m. Mon – Fri / \$1.70 per mile / \$18.70 minimum
- 6:00 p.m. – 5:59 a.m. Mon – Fri / \$2.20 per mile / \$44.00 minimum

Super Stats:

- 6:00 a.m. – 5:59 p.m. Mon – Fri / \$2.47 per mile / \$30.80 minimum
- 6:00 p.m. – 5:59 a.m. Mon – Fri / \$2.80 per mile / \$44.00 minimum

Weekends and Holidays:

- \$3.08 per mile / \$61.60 minimum